

Quarterly Financial Report Fiscal Year 2022 Third Quarter

The logo for ADDISON, featuring the word "ADDISON" in a bold, blue, sans-serif font centered within a white circle. The circle is set against a blue background that is part of a larger graphic design on the right side of the slide, which includes diagonal lines and a grey triangle at the top right.

August 23, 2022

Executive Dashboard – Key Revenue Sources

Executive Dashboard - 3rd Quarter, 2022 Fiscal Year

Financial Indicators

Positive variance compared to historical trends

Positive

Negative variance of 3%-5% and more than \$50,000 compared to historical trends

Warning

Negative variance of >5% and more than \$50,000 compared to historical trends

Negative

Key Revenue Sources	FY2022 Budget	Actual through 6/30/22	% Annual Budget
Ad Valorem Taxes - General Fund	\$ 20,037,826	\$ 20,442,712	102.02%
Non-Property Taxes - General Fund	14,900,000	12,947,796	86.90%
Hotel Tax	4,155,000	3,145,466	75.70% ⁽¹⁾
Franchise Fees - General Fund	2,105,000	1,640,839	77.95%
Service/Permitting/License Fees - General Fund	3,108,670	2,309,603	74.30%
Fines and Penalties - All Funds	320,000	278,659	87.08%
Special Event Revenue - Hotel Fund	1,155,500	585,652	50.68% ⁽²⁾
Fuel Flowage Fees - Airport Fund	1,026,272	1,052,672	102.57%
Water and Sewer Charges - Utility Fund	14,239,755	10,674,670	74.96%

⁽¹⁾ Hotel tax revenue has not been collected from all hoteliers

⁽²⁾ Special Events are low due to the timing of events

Executive Dashboard – Key Expenditures

Executive Dashboard - 3rd Quarter, 2022 Fiscal Year

Financial Indicators

Positive variance compared to historical trends

Positive

Negative variance of 3%-5% and more than \$50,000 compared to historical trends

Warning

Negative variance of >5% and more than \$50,000 compared to historical trends

Negative

Key Expenditures	FY2022 Budget	Actual through 6/30/22	% Annual Budget
General Fund	\$ 40,773,871	\$ 28,160,499	69.07%
Hotel Fund	6,014,152	3,083,610	51.27%
Economic Development	2,010,012	1,063,635	52.92%
Airport Operations	5,199,386	3,278,118	63.05%
Utility Operations	14,676,255	10,456,838	71.25%

Personnel Information

Executive Dashboard - 3rd Quarter, 2022 Fiscal Year

Staffing Indicators

Personnel Information:

Separations - Benefitted Positions				
Department	04/2022-06/2022			FY2022
	Part-Time Positions	Full-time positions	Total 3rd Qtr	YTD
Airport	0	1	1	1
City Manager	0	0	0	1
Conference Centre	0	0	0	0
Development Services	0	2	2	3
Finance	0	0	0	2
Fire	0	2	2	3
General Services	0	1	1	1
Human Resources	0	0	0	2
Information Technology	0	0	0	0
Public Works	0	2	2	6
Marketing & Communications	0	0	0	0
Municipal Court	0	0	0	0
Parks	0	1	1	6
Police	0	2	2	7
Recreation	3	2	5	9
Special Events	0	0	0	1
Streets	0	1	1	2
Grand Total	3	14	17	44

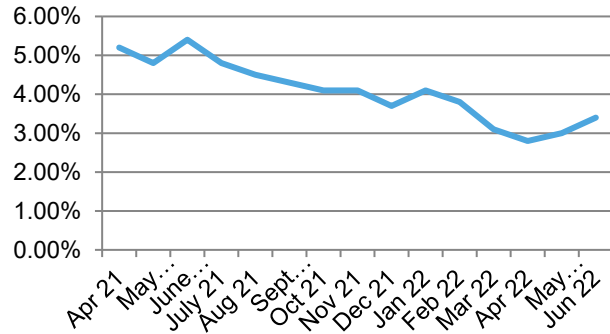
New Hires - Benefitted Positions				
Department	04/2022-06/2022			FY2022
	Part-Time Positions	Full-time positions	Total 3rd Qtr	YTD
Airport	0	2	2	2
City Manager	1	0	1	1
Conference Centre	0	0	0	0
Development Services	0	1	1	2
Finance	0	1	1	2
Fire	0	4	4	4
General Services	0	0	0	0
Human Resources	0	0	0	2
Information Technology	0	0	0	1
Public Works	0	1	1	3
Marketing & Communications	0	0	0	0
Municipal Court	0	0	0	0
Parks	0	3	3	8
Police	0	3	3	6
Recreation	3	1	4	7
Special Events	0	0	0	1
Streets	0	1	1	6
Grand Total	4	17	21	45

Public Safety Sworn Positions	Budgeted FY 2022	Filled Positions	Percent Filled
Police	66	67	102%
Fire ⁽¹⁾	56	57	102%

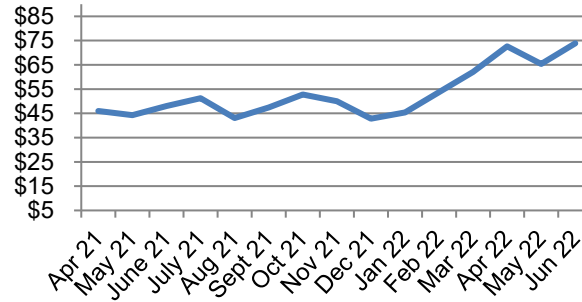
⁽¹⁾ FY2021 budget includes 56 budgeted sworn positions plus overfill of 1 Firefighter (F3) position.

Economic Indicators

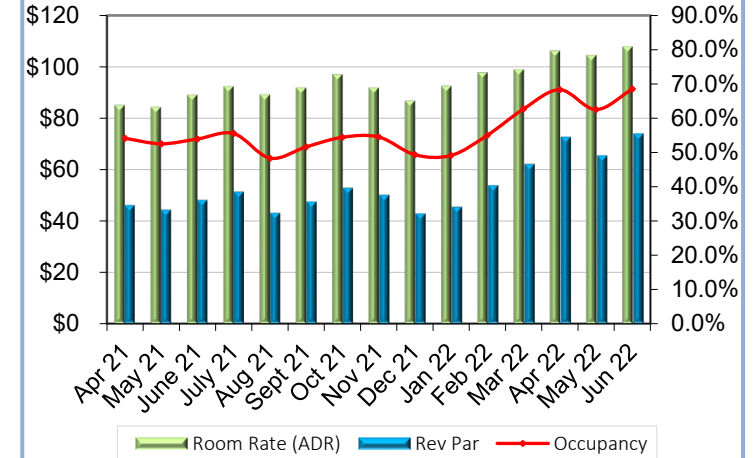
DFW Unemployment Rate Last 12 months



Hotel Revenue Per Available Room



Addison Hotel Statistics

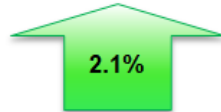


Occupancy Indicators:

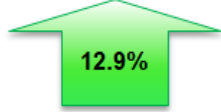
Office Occupancy = 79.3%



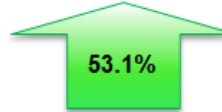
Retail Occupancy = 92.7%



Hotel Occupancy = 66.4%

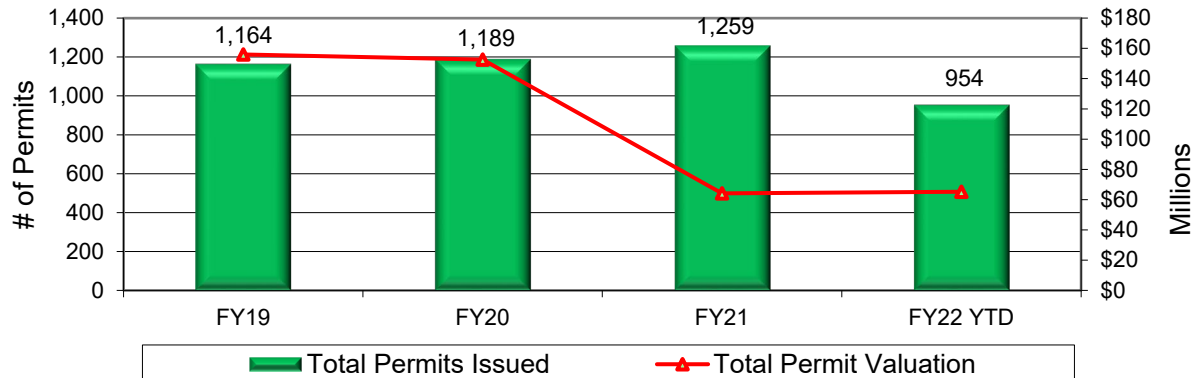


RevPar = \$70.59

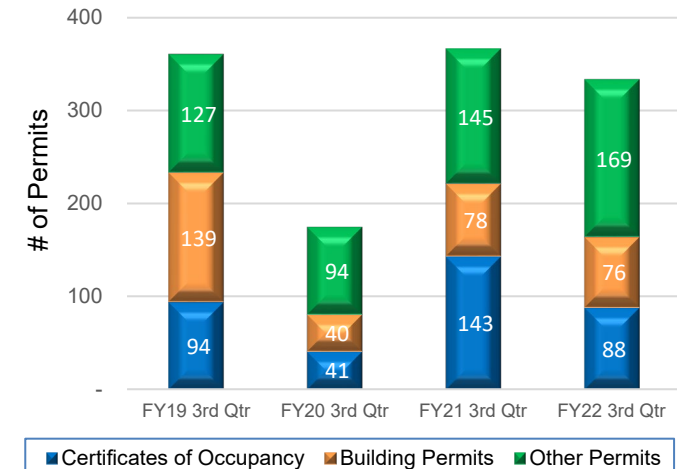


Hotel Indicators

Total Permits Issued and Valuation

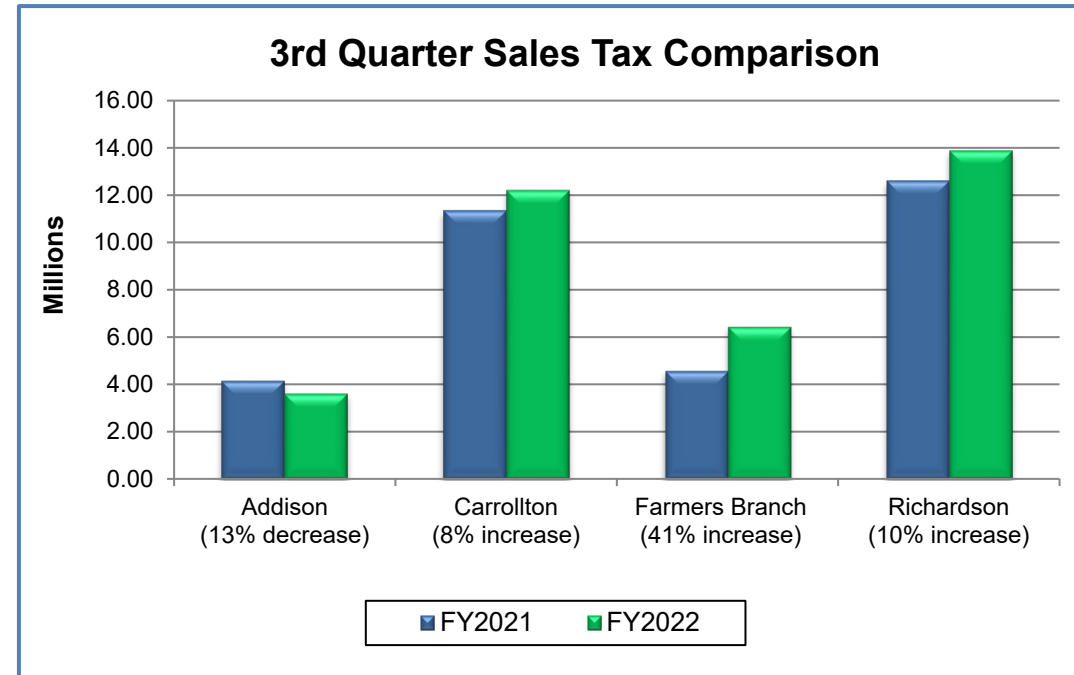


Quarterly Permit Activity, Year over Year

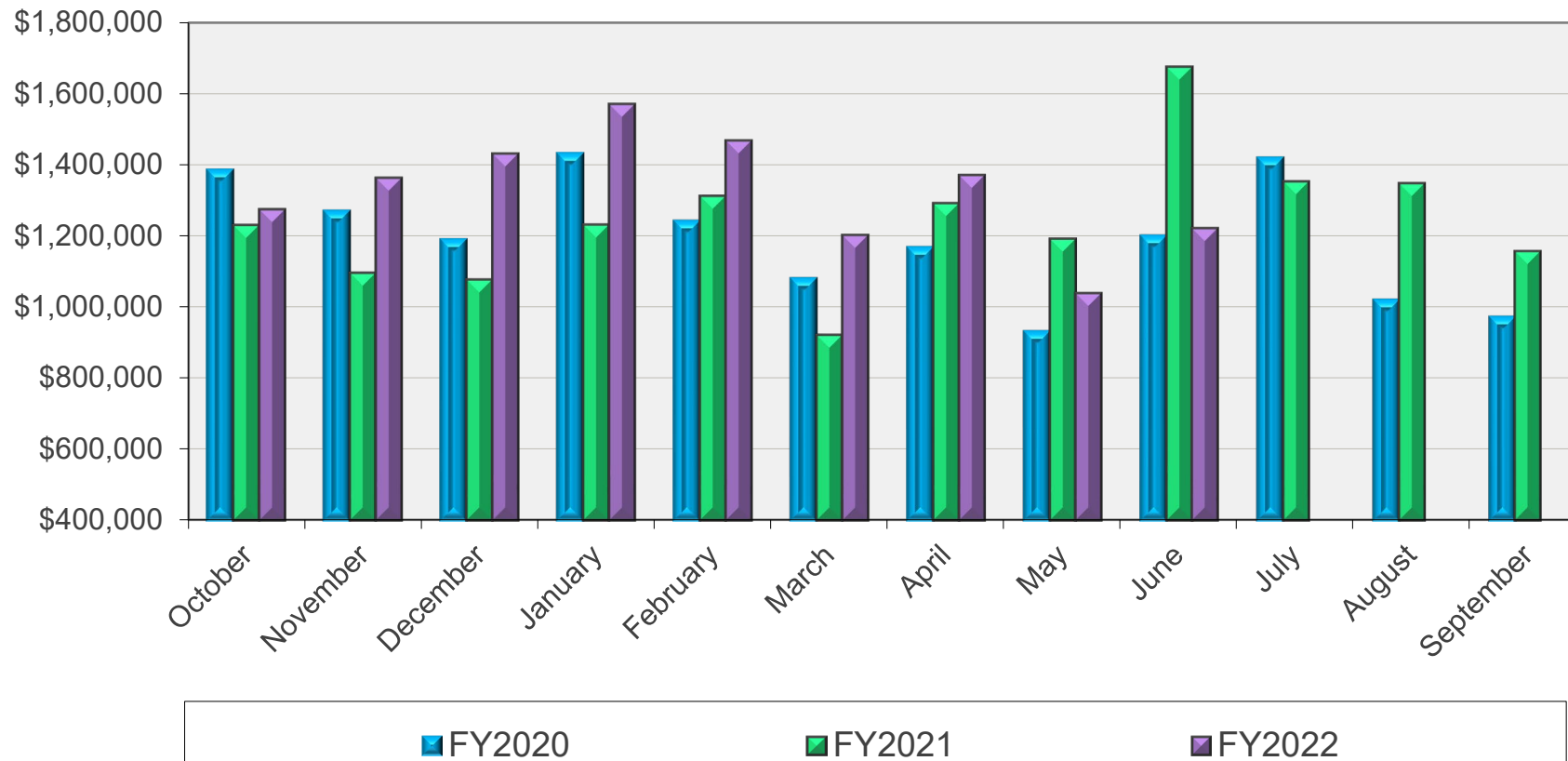


Economic Development Incentives:

Executed Agreements	Amount Paid FY22	Total Incentives Committed
7	\$358,364	\$747,030



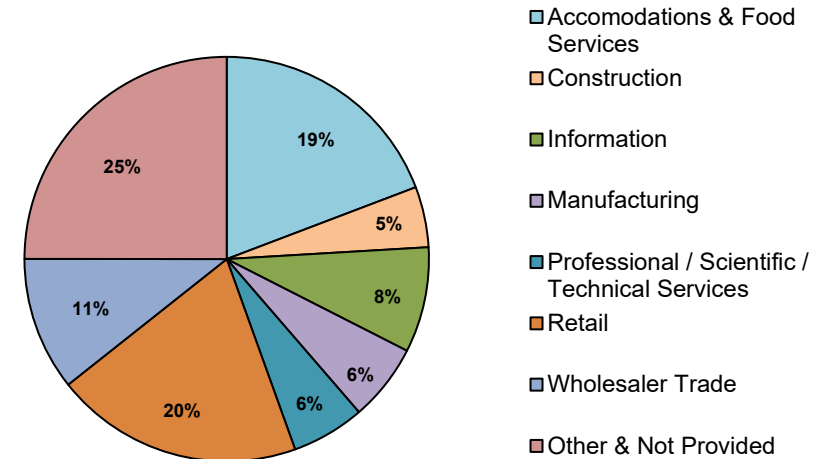
Monthly Sales Tax Collections



Sales Tax Collections

TOWN OF ADDISON Schedule of Sales Tax Collections For the quarter ending June 30, 2022			
	FY2022 Monthly Collections	% Change from Prior Year	FY2021 Monthly Collections
October	\$ 1,273,977	3.6%	\$ 1,229,815
November	1,362,516	24.4%	1,095,667
December	1,430,169	32.8%	1,076,775
January	1,569,646	27.5%	1,231,161
February	1,467,367	11.8%	1,312,153
March	1,202,011	30.5%	921,263
April	1,370,124	6.1%	1,291,548
May	1,038,643	-12.8%	1,191,232
June	1,220,982	-27.1%	1,674,956
July		-100.0%	1,352,619
August		-100.0%	1,347,683
September		-100.0%	1,156,406
	11,935,435		\$ 14,881,277
Budget:	13,700,000	87.1%	13,530,766

Breakdown of Sales Tax by Economic Category



General Fund Revenue

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 3RD QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
Revenues:					
Ad Valorem taxes:					
Current taxes	\$ 20,276,338	\$ 20,139,186	\$ 95,789	\$ 20,602,574	102.3%
Delinquent taxes	(159,726)	(151,360)	(170,672)	(212,621)	140.5% ⁽¹⁾
Penalty & interest	55,882	50,000	16,438	52,759	105.5%
Non-property taxes:					
Sales tax	14,881,277	13,700,000	3,629,749	11,935,435	87.1%
Alcoholic beverage tax	1,084,108	1,200,000	375,815	1,012,361	84.4%
Franchise / right-of-way use fees:					
Electric franchise	1,422,617	1,525,000	361,816	1,130,221	74.1%
Gas franchise	185,638	200,000	6,556	275,373	137.7%
Telecommunication access fees	211,969	250,000	45,300	140,848	56.3%
Cable franchise	126,482	130,000	30,614	94,397	72.6%
Street rental fees	-	-	-	-	0.0%
Licenses and permits:					
Business licenses and permits	175,825	129,700	51,080	112,740	86.9%
Building and construction permits	649,082	960,400	311,146	651,297	67.8%
Intergovernmental	1,000,000	-	-	3,982	0.0%
Service fees:					
General government	-	-	-	-	0.0%
Public safety	880,482	1,006,500	276,537	843,837	83.8%
Urban development	39,719	47,200	14,210	38,095	80.7%
Streets and sanitation	465,739	455,700	112,193	307,996	67.6%
Recreation	29,903	70,300	10,551	26,486	37.7%
Interfund	410,431	438,870	109,718	329,153	75.0%
Court fines	163,408	245,000	77,922	191,288	78.1%
Interest earnings	21,569	100,000	64,278	126,203	126.2%
Rental income	7,900	8,000	2,130	5,900	73.8%
Other	282,410	255,500	46,769	265,542	103.9%
Total Revenues	42,211,054	40,759,996	5,467,936	37,933,865	93.1%

⁽¹⁾ Represents prior year tax payment refunds

General Fund Expenditures

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 3RD QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
Expenditures:					
General Government:					
City Secretary	208,900	221,275	40,512	136,231	61.6%
City Manager	1,233,580	1,204,501	273,709	858,131	71.2%
Finance	1,821,579	1,764,710	429,067	1,247,253	70.7%
General Services	1,182,474	756,057	191,043	539,903	71.4%
Municipal Court	646,454	712,737	141,304	498,142	69.9%
Human Resources	670,310	740,209	144,021	446,371	60.3%
Information Technology	1,897,336	2,257,050	487,770	1,405,754	62.3%
Combined Services	1,073,544	1,362,400	497,920	965,211	70.8%
Council Projects	312,168	245,981	117,972	305,841	124.3% ⁽¹⁾
Public Safety:					
Police	10,288,614	10,546,045	2,347,061	7,332,171	69.5%
Emergency Communications	1,392,567	1,594,245	368,160	1,560,406	97.9% ⁽²⁾
Fire	8,705,865	9,086,845	2,053,487	6,458,220	71.1%
Development Services	1,560,348	1,807,604	375,703	1,156,896	64.0%
Streets	1,951,588	2,136,422	506,318	1,135,967	53.2%
Parks and Recreation:					
Parks	4,066,372	4,505,219	1,139,626	3,147,219	69.9%
Recreation	1,629,169	1,790,696	352,434	966,783	54.0%
Other financing uses:					
Transfers to other funds	3,460,950	41,875	-	-	0.0%
Total Expenditures	42,101,818	40,773,871	9,466,108	28,160,499	69.1%
Net Change in Fund Balance	109,236	(13,875)	(3,998,172)	9,773,366	
Fund Balance at Beginning of Year	20,134,439	20,243,675		20,243,675	
Fund Balance at End of Year	\$ 20,243,675	\$ 20,229,800		\$ 30,017,041	

⁽¹⁾ Includes primary NPO grant payment for non-profit grant funding

⁽²⁾ NTECC operations contribution for 3rd quarter posted in period 6

Hotel Fund

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 3RD QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
Revenues:					
Hotel/Motel occupancy taxes	\$ 2,523,560	\$ 4,155,000	\$ 1,317,991	\$ 3,145,466	75.7% ⁽¹⁾
Proceeds from special events	897,005	1,155,500	318,916	585,652	50.7% ⁽²⁾
Rental income	86,403	85,000	16,600	47,572	56.0%
Interest and miscellaneous	1,072,594	2,024,836	20,555	27,368	1.4%
Total Revenues	4,579,563	7,420,336	1,674,062	3,806,058	51.3%
Expenditures:					
Addison theatre centre	261,323	275,208	72,048	177,707	64.6%
Conference centre	242,199	268,457	68,438	148,511	55.3%
General hotel operations	23,085	198,129	32,069	112,634	56.8%
Marketing	859,612	1,139,905	246,814	535,154	46.9%
Performing arts	375,989	329,089	1,250	329,089	100.0% ⁽³⁾
Special events	866,347	993,628	211,102	574,158	57.8% ⁽²⁾
Special events operations	2,001,576	2,425,736	779,421	918,356	37.9%
Attractions Capital Projects	4,090	-	-	-	0.0%
Other financing uses:					
Transfer to Economic Development Fund	384,000	384,000	96,000	288,000	75.0%
Total Expenditures	5,018,221	6,014,152	1,507,142	3,083,610	51.3%
Net Change in Fund Balance	(438,658)	1,406,184	166,920	722,448	
Fund Balance at Beginning of Year	3,149,259	2,710,601		2,710,601	
Fund Balance at End of Year	\$ 2,710,601	\$ 4,116,785		\$ 3,433,049	

⁽¹⁾ Hotel tax collections have not been received by all hoteliers

⁽²⁾ Special events revenues and expenses are low due to the timing of events

⁽³⁾ Full NPO primary grant payment and matching funds for non-profit grant funding to Water Tower Theatre

Economic Development Fund

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 3RD QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
Revenues:					
Ad Valorem taxes:	\$ 1,163,539	\$ 1,153,552	\$ (3,371)	\$ 1,179,058	102.2%
Business license fee	27,165	50,000	1,900	31,650	63.3%
Interest income and other	2,249	20,000	7,932	14,310	71.6%
Transfers from General/Hotel Fund	384,000	384,000	96,000	288,000	75.0%
Total Revenues	1,576,953	1,607,552	102,461	1,513,018	94.1%
Expenditures:					
Personnel services	496,773	516,217	119,224	370,790	71.8%
Supplies	10,551	20,301	5,475	9,289	45.8%
Maintenance	24,407	29,602	3,401	15,605	52.7%
Contractual services	984,838	1,430,520	317,214	657,922	46.0%
Debt Service	16,997	13,372	3,343	10,029	75.0%
Total Expenditures	1,533,566	2,010,012	448,657	1,063,635	52.9%
Net Change in Fund Balance	43,387	(402,460)	(346,195)	449,383	
Fund Balance at Beginning of Year	1,968,832	2,012,219		2,012,219	
Fund Balance at End of Year	\$ 2,012,219	\$ 1,609,759		\$ 2,461,602	

Airport Fund

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 3RD QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
Operating Revenues:					
Operating grants	\$ 107,000	\$ 50,000	\$ -	\$ -	0.0%
Service fees	108,408	294,000	20,100	76,338	26.0% ⁽¹⁾
Fuel flowage fees	1,064,377	1,026,272	325,548	1,052,672	102.6%
Rental income	4,415,499	5,635,534	1,336,421	3,747,357	66.5%
Interest income and other	168,982	56,040	69,115	131,365	234.4%
Total Operating Revenues:	5,864,266	7,061,846	1,751,185	5,007,732	70.9%
Operating Expenses:					
Personnel services	1,963,122	2,114,862	503,243	1,479,167	69.9%
Supplies	41,731	57,200	8,565	33,184	58.0%
Maintenance	368,803	745,119	113,402	281,261	37.7%
Contractual services	1,080,506	1,078,750	242,303	703,663	65.2%
Capital Replacement/Lease	467,258	257,928	64,482	193,446	75.0%
Debt service	749,767	910,527	143	579,208	63.6%
Capital Outlay	46,664	35,000	-	8,189	23.4%
Total Operating Expenses:	4,717,851	5,199,386	932,138	3,278,118	63.0%
Capital Projects (Cash Funded)	14,750	1,583,070	219,128	542,785	34.3%
Total Expenses:	4,732,601	6,782,456	1,151,266	3,820,904	56.3%
Net Change in Working Capital	1,131,665	279,390	599,919	1,186,829	
Working Capital at Beginning of Year	5,711,003	6,842,668		6,842,668	
Working Capital at End of Year	\$ 6,842,668	\$ 7,122,058		\$ 8,029,497	

⁽¹⁾ Percentage is below the quarterly threshold but actuals are in line with historical trends

Utility Fund

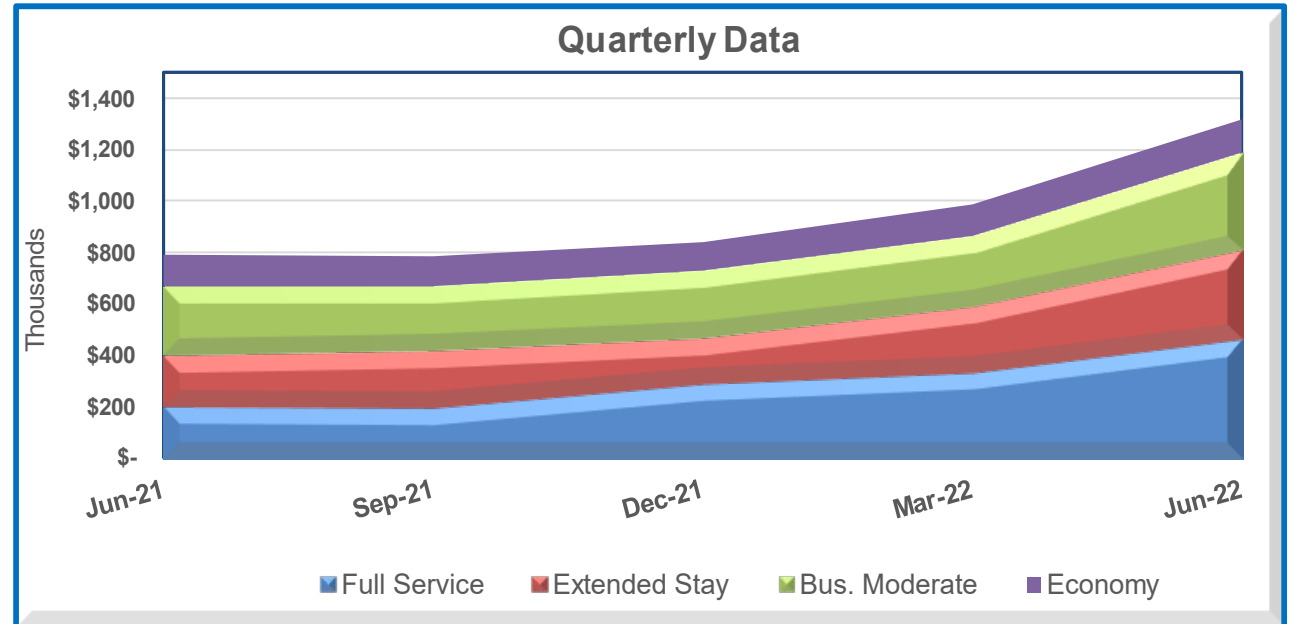
CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 3RD QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
Operating revenues:					
Water sales	\$ 7,518,421	\$ 7,738,852	\$ 2,308,388	\$ 6,009,349	77.7%
Sewer charges	5,808,866	6,500,903	1,578,182	4,665,320	71.8%
Tap fees	10,683	17,500	17,308	25,053	143.2%
Penalties	15,958	75,000	23,832	87,371	116.5%
Interest income and other	51,631	108,500	31,424	49,856	46.0%
Total Operating Revenues:	13,405,558	14,440,755	3,959,134	10,836,950	75.0%
Operating expenses:					
Personnel services	2,169,275	2,549,211	568,070	1,715,251	67.3%
Supplies	300,454	202,232	60,516	167,184	82.7%
Maintenance	527,646	1,107,356	165,697	425,214	38.4%
Contractual services					
Water purchases	3,242,450	4,224,277	996,789	3,208,538	76.0%
Wastewater treatment	3,486,904	3,727,622	889,445	2,740,387	73.5%
Other services	1,286,970	1,107,191	225,125	799,646	72.2%
Capital Replacement/Lease	581,857	231,584	57,896	173,688	75.0%
Debt service	1,517,681	1,526,782	177	1,226,929	80.4%
Capital outlay	142,533	-	-	-	0.0%
Total Operating Expenses:	13,255,770	14,676,255	2,963,716	10,456,838	71.3%
Capital Projects (Cash Funded)	87,037	101,000	-	-	0.0%
Total Expenses:	13,342,807	14,777,255	2,963,716	10,456,838	70.8%
Net Change in Working Capital	62,751	(336,500)	995,418	380,112	
Working Capital at Beginning of Year	6,431,088	6,493,839		6,493,839	
Working Capital at End of Year	\$ 6,493,839	\$ 6,157,339		\$ 6,873,951	

Stormwater Utility Fund

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 3RD QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
Operating revenues:					
Drainage Fees	\$ 2,457,241	\$ 2,554,023	\$ 642,569	\$ 1,953,185	76.5%
Interest income and other	94,662	20,000	19,566	44,033	220.2%
Total Operating Revenues:	2,551,902	2,574,023	662,134	1,997,218	77.6%
Operating expenses					
Personnel services	324,658	396,777	85,614	254,254	64.1%
Supplies	11,637	31,000	10,153	12,880	41.5%
Maintenance	59,377	151,240	31,361	73,579	48.7%
Contractual services	256,804	327,351	80,856	183,451	56.0%
Debt service	591,396	555,266	2,857	460,311	82.9%
Capital outlay	32,720	166,000	-	29,457	17.7%
Total Operating Expenses:	1,276,591	1,627,634	210,841	1,013,932	62.3%
Capital Projects (Cash Funded)	23,256	847,491	80,688	97,787	11.5%
Total Expenses:	1,299,847	2,475,125	291,529	1,111,718	44.9%
Net Change in Working Capital	1,252,055	98,898	370,605	885,500	
Working Capital at Beginning of Year	7,734,397	8,986,452		8,986,452	
Working Capital at End of Year	\$ 8,986,452	\$ 9,085,350		\$ 9,871,952	

Hotel Occupancy Tax Collections

	Rooms		Apr - June 2022		22 to 21
	Number	%	Amount	%	% Diff.
Full Service					
Marriott Quorum	547	15%	\$ 224,780	17%	103%
Renaissance	528	14%	236,356	18%	168%
	1,075	29%	461,136	35%	128%
Extended Stay					
Budget Suites	344	9%	12,832	1%	28%
Mainstay Suites	70	2%	11,025	1%	-21%
Marriott Residence Inn	150	4%	80,440	6%	317%
Hyatt House	132	4%	47,874	4%	347%
Homewood Suites	120	3%	42,911	3%	35%
Home2Suites	132	4%	91,314	7%	69%
Springhill Suites	159	4%	63,705	5%	9%
	1,107	30%	350,101	27%	77%
Business Moderate					
Marriott Courtyard Quorum	176	5%	92,619	7%	73%
LaQuinta Inn	152	4%	50,865	4%	22%
Marriott Courtyard Midway	145	4%	64,311	5%	56%
Radisson - Addison	101	3%	37,947	3%	50%
Hilton Garden Inn	96	3%	52,713	4%	62%
Holiday Inn Express	97	3%	46,568	4%	18%
⁽¹⁾ Holiday Inn Beltway	102	3%	-	0%	0%
Best Western Plus	84	2%	30,915	2%	-4%
	953	26%	375,938	29%	41%
Economy					
Motel 6	127	3%	37,657	3%	17%
⁽¹⁾ Hampton Inn	158	4%	25,857	2%	-13%
Red Roof Inn	105	3%	36,631	3%	15%
Quality Suites North/Galleria	78	2%	23,456	2%	22%
⁽¹⁾ America's Best Value Inn	60	2%	7,216	1%	-19%
	528	14%	130,816	10%	7%
TOTAL	3,663	100%	1,317,991	100%	67%



⁽¹⁾ Not yet received one or more payments for the quarter

Investment Report Summary

TOWN OF ADDISON

Investments

For the quarter ending June 30, 2022

	Book Value	Market Value	Interest Revenue	Weighted Average Yield-to- Maturity
6/30/2022	123,018,311	118,487,396	261,269	1.11%
3/31/2022	128,974,071	125,467,231	175,283	0.72%
Change	(5,955,760)	(6,979,835)	85,986	0.39%
% Change	-4.62%	-5.56%	49.06%	54.10%